## Cases in

Marketing Marketing **Management** Management

# Cases in MARKETING MANAGEMENT

#### Kenneth L. Bernhardt

College of Business Administration Georgia State University

## Thomas C. Kinnear

Graduate School of Business Administration The University of Michigan

**Revised edition** 



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ISBN 0-256-02419-7 Library of Congress Catalog Card No. 81-65113 Printed in the United States of America

1 2 3 4 5 6 7 8 9 0 K 8 7 6 5 4 3 2 1

# Cases in MARKETING MANAGEMENT

## CONSULTING EDITORS IN MARKETING

Robert E. Witt and Mark I. Alpert Both of The University of Texas at Austin

To Kathy and Karen; to Connie, Maggie, and Jamie Marketing is an exciting and dynamic discipline. Unfortunately much of the excitement is hidden among the definitions and descriptions of concepts that are a necessary part of basic marketing textbooks. We believe that one way to make the study of marketing exciting and dynamic is to use cases. Cases allow the student to work on real marketing problems, to develop an appreciation for the types of problems that exist in the real world of marketing, and to develop the skills of analysis and decision making so necessary for success in marketing and other areas of business. Cases represent as close an approximation of the realities of actually working in marketing as is possible without taking a job in the field.

Your task as a user of this casebook is to work hard to develop well reasoned solutions to the problems confronting the decision maker in each of the cases. A framework to assist you in developing solutions is presented in Part I of this book. Basically you will be using this, or some other framework suggested by your instructor, to analyze the cases in this book. By applying this framework to each case that you are assigned, you will develop your analytic skills. Like all skills, you will find this difficult at first. However, as you practice, you will get better, until it will become second

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nature to you. This is exactly the same way one develops athletic or musical skills.

The cases in this book represent a broad range of marketing problems. The book contains consumer and industrial cases, profit and nonprofit cases, social marketing cases, specific marketing area cases, and general cases, plus cases on marketing and public policy. Each case is designed to fit into a specific section of a course in marketing management. The cases are long and complex enough to require good analysis, but not so long and complex to be overly burdensome. Within sections, cases do vary in terms of difficulty and complexity.

Users of the first edition will note that the fundamental thrust and positioning remains the same in this edition. However, we do note the following changes. First, a fourth introductory chapter has been added. It contains a case plus examples of good and bad analysis of this case. This should help students understand what is required of them. Second, 18 new cases have been added. Finally, a number of cases with greater complexity have been added to allow more in-depth work.

This book contains 44 cases and 2 case-related exercises. Twenty of the cases and both exercises were written by the authors of this book. In some instances we had a coauthor and we have noted the names of the coauthors on the title pages of the cases concerned. We wish to thank these coauthors for their assistance and for allowing us to use the cases: Danny N. Bellenger, Tom Ingram, Duncan LaBay, Larry Robinson, Sherri McIntyre, and John Wright. Also, we owe a special thank you to Cynthia Frey, Bonnie Reece, and Sherri McIntyre for their assistance on a number of cases.

We would also like to thank the executives of the companies who allowed us to develop cases about their problems and who have released these cases for use in this book.

The remaining 24 cases were written by many distinguished marketing casewriters. We appreciate their allowing us to reproduce their cases here. The names of each of these persons are noted on the title pages of the cases concerned: Sarah Bane, William D. Binion, Roberta N. Clarke, Charles Cross, Philip E. Downs, Donald Hackett, Patrick Hanemann, Robert Hartley, Cleon L. Hartzell, Jr., Subhash C. Jain, Ronald Jamieson, Robert Kaiser, Constance Kinnear, Fred W. Kniffin, Frederick Kraft, Zarrel V. Lambert, T. Levitt, Iqbal Mathur, Peter Mayer, David D. Monieson, Jack Moorman, John Murphy, James E. Nelson, R. Craig Newell, Derek A. Newton, Douglass G. Norvell, Robert E. M. Nourse, Lonnie Ostrom, Charles Patti, Carlton A. Pederson, William E. Rief, Adrian Ryans, Anne Senausky, Donald Scotton, Benson P. Shapiro, Stephen A. Snow, R. Sorenson, Charles B. Weinberg, David Weinstein, and U. Wiechman.

We are also indebted to Elaine Hubbard, Stanford Graduate School of

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Business, and Charles Gebhard, former director of the Intercollegiate Case Clearing House, for assistance in gaining releases for several cases.

In writing some of the cases, we were assisted by graduate student case-writers. We appreciate their efforts. They were: Cheryl Allen on the Samahaiku case, Steven Becker on the Consolidated Bathurst Pulp and Paper case, G. Ludwig Laudisi on the Amtrak case, Terry Murphy and Marty Schwartz on the League of Catholic Women case, and William O. Adcock on the Rich's Department Store case.

We should like to thank our colleagues at Georgia State University, the University of Michigan, and the Southern Case Research Association for their helpful comments on early versions of some of the cases. We would specifically like to thank C. Merle Crawford, Claude Martin, James Taylor, Martin Warshaw, and John Wright. We would also like to thank James Scott for his direction on the Da-Roche Laboratories and Dutch Foods (A) cases.

The Modern Plastics (A) case is copyright to Danny Bellenger and Kenneth Bernhardt, the Doncaster case to John S. Wright and Kenneth Bernhardt, the Word Systems and Jos. Schlitz Brewing Company cases to Constance M. Kinnear and Thomas C. Kinnear, the Litton case to Larry Robinson and Ken Bernhardt, and the AUTOCAP case to Ken Bernhardt.

KENNETH L. BERNHARDT THOMAS C. KINNEAR

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## PART I

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